

Response to request for comments by  
the Federal Tax Reform Panel on  
Feb. 16, 2005

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18 March 2005

Individual Submission to the  
Federal Tax Reform Panel

I wish to thank the committee for the opportunity to submit my thoughts about the tax reform efforts. There are several problem areas that need to be addressed if we wish to make taxes easier for those burdened each year with filing the forms.

The first issue is the complexity of our current tax laws. With the number of laws and regulations in the code, and the number of changes made each year, it is very difficult for individuals and small business to keep up with it. Deductions change, credits come and go, and rates shift. To complete a tax package accurately in compliance with the law is very difficult without professional, expensive help.

Second, the current system discourages savings. Even after you work hard for your wages, salary, and business profits, we pay tax on our income. Then we invest them in bank accounts, CDs, stocks, bonds, and other types of savings. In some instances, we risk losing our hard earned money hoping to make a profit in stocks along with the corporations. If we are successful, we are again taxed on all of the profit. If we are not successful, only a small portion of the losses are deductible.

Third, the alternative minimum tax is pushing its way down the tax brackets. Again this tax discourages investment, charity giving, and good old American hard work with the threat of oppressive taxation for success and philanthropy.

What is needed is a new tax system that is fair to the poor, fair to those who work hard to earn a living, discards direct taxation of our wages, and encourages savings and investment. A system needs to put into place that will allow American workers to save for their own retirement without it being taxed. This would allow many of us to be weaned from the Social Security System over time. Allowing us to invest our own savings without being taxed would invite companies large and small to build more business and factories in the United States. More businesses and factories mean more jobs and better pay. With the right tax structure, we could stem, and even reverse, the tide of outsourcing jobs.

In short, we need tax reform to stimulate the economy,  
business expansion, and domestic job growth. The current  
system is broken.

A handwritten signature in black ink, appearing to read "Charles Christmann", with a stylized flourish at the end.